

JOHNSON COUNTY GAS COMPANY

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Harold, KY 41635
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May 23, 2008

RECEIVED

MAY 27 2008

PUBLIC SERVICE
COMMISSION

Ms. Stephanie Stumbo
Executive Director Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602-0615

Dear Ms. Stumbo;

2008-184

Please find enclosed one original and three copies Johnson County Gas Company's proposed Gas Cost Recovery Rate (GCR) and supporting calculations for the three month period from July 1, 2008 through September 30, 2008.

Johnson County Gas Company respectfully requests that the Commission approve the enclosed GCR.

Sincerely,



Bud Rife

Enclosures
br/db

P.S.C. Ky. No. 2008-

Cancels P.S.C. Ky. No. 2008-0067

Johnson County Gas Company

Of

2008-104

Harold, Kentucky 41635

Rates, Rules and Regulations for Furnishing Gas

At

Meally, Van Lear, East Point and Hager Hill

**Filed With Public Service Commission
Of Kentucky**

Issued May 23, 2008

Effective June 1, 2008

Issued By: Johnson County Gas Company



By: Bud Rife
President/Manager

Van Lear, Hager Hill,
East Point, and Meally

P.S.C. NO. 2008-

CANCELLING P.S.C. NO. 2008-00067

Johnson County Gas Company

CLASSIFICATION OF SERVICE

Proposed Rates:

Residential

	Base Rate	Gas Cost Recovery	Total Rate
First Mcf (minimum bill)	\$6.9542	\$7.0637	\$14.0179
All over 1 Mcf	\$5.9542	\$7.0637	\$13.0179

Commercial

All Mcf	\$6.3042	\$7.0637	\$13.3679
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DATE OF ISSUE May 23, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY Bud Rife, President/Manager P. O. Box 339 Harold, KY 41635

Issued by authority of an Order of the Public Service Commission of

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$10.3377
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$3.2358)
Balance Adjustment (BA)	\$/Mcf	(\$0.0382)
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$7.0637

to be effective for service rendered from.

A. EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$227,680.29
/Sales for the 12 months ended	\$/Mcf	22,024.23
Expected Gas Cost	\$/Mcf	\$10.3377

B. REFUND ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch III)	\$/Mcf	\$0.0000
+Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
+Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
+Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
=Refund Adjustment (RA)	\$ Mcf	\$0.0000

C. ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	(\$0.2105)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$3.0253)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	
=Actual Adjustment (AA)	\$ Mcf	(\$3.2358)

D. BALANCE ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0000
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0382)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	
=Balance Adjustment (BA)	\$ Mcf	(\$0.0382)

SCHEDULE II
EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended April 30, 2008

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Constellation New Energy	12,465	1.025	12,777	\$10.58	\$135,151.19
Equitable Resources	6,178	1.025	6,332	\$10.4500	\$66,174.10
Bradeco Oil Company			3,765.00	\$7.0000	\$26,355.00
			-		\$0.00
					\$0.00
					\$0.00
					\$0.00

Totals	22,874	\$227,680.29
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Line loss for 12 months ended 4/30/2008 is based on purchases of 22,874.00
and sales of 22,024.23 Mcf. 3.72%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$227,680.29
/ Mcf Purchases (4)		22,874
= Average Expected Cost Per Mcf Purchased		\$9.9537
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		22,874.00
= Total Expected Gas Cost (to Schedule IA)		\$227,680.29

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Description		Unit	Amount
Supplier Refunds Received during 2 Month Period	2007	\$	
Interest Factor (90 Day Commercial Paper Rate)			
Refunds Including Interest		\$	\$0.00
Divided by 12 Month Projected Sales Ended	2008	Mcf	22,024.23
<u>Current Supplier Refund Adjustment</u>			<u>0</u>

APPENDIX B

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended 04/31/2008

Particulars	Unit	Feb '08	Mar. '08	April '08
Total Supply Volumes Purchased	Mcf	4657	2065	1057
Total Cost of Volumes Purchased	\$	\$38,097.73	\$14,601.48	\$5,167.49
/ Total Sales *	Mcf	4,424.2	1,961.8	1,004.2
= Unit Cost of Gas	\$/Mcf	\$8.6113	\$7.4431	\$5.1461
- EGC in Effect for Month	\$/Mcf	\$8.9983	\$8.9983	\$13.5797
= Difference	\$/Mcf	(\$0.3870)	(\$1.5552)	(\$8.4336)
x Actual Sales during Month	Mcf	156.0	155.0	514.0
= Monthly Cost Difference	\$	(\$60.37)	(\$241.06)	(\$4,334.85)

Total Cost Difference--Feb 08-Apr 08
/ Sales for 12 months ended

\$ (\$4,636.28)
Mcf 22,024.2
(\$0.2105)

= Actual Adjustment for the Reporting Period (to Sch IC)

* May not be less than 95% of supply volume

Case No.

Effective Date	Mcf Sales	Factor	Refunded	Balance
Beginning Balance				
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0
			\$0.00	\$0

Under/(Over) Recovery \$0
Mcf Sales for factor 22,024
BA Factor \$0.0000